



**USAID**  
FROM THE AMERICAN PEOPLE

## PROGRAM E-SPOTLIGHT

February 23, 2007, Issue 3

### UKRAINE

#### **USAID Launches \$8 Million Trade, Investment and Business Acceleration (TIBA) Project**

USAID/Ukraine launched a two-year, \$8 million project on January 30 to support the Government of Ukraine and the private sector in promoting trade, investment and business development, and helping to integrate Ukraine into the world economy. The project will support trade in goods and services in accordance with WTO rules, and implementation of regulatory reform to establish a business-friendly legal environment that encourages SME growth, and attracts investment.



*At the Press Conference*

Speaking at a press conference, Mission Director Earl Gast stressed that "Ukraine right now is at the doorstep of WTO, and if it accedes to WTO, as expected later this year, this project will help Ukraine meet its accession requirements."

The TIBA project will also focus on fighting corruption, with a portion of its work supported by the U.S. Millennium Challenge Corporation (MCC) Threshold Country Program. TIBA will work to reduce opportunities for corruption by helping make government processes more efficient, simple, and transparent; improving the permit system law and related statutes, streamlining procedures for

construction permits and access to utilities, and improving the law on inspections.

#### **MCC Delegation Visits Ukraine**

A Millennium Challenge Corporation delegation visited Ukraine on January 18-23 to discuss Ukraine's eligibility for the MCC Compact Program and to stimulate a national debate on where such development support is most vital. The team, headed by MCC Vice President for Operations John Hewko, met with members of the community, the press, and key players within the Government, including President Viktor Yushchenko, Prime Minister Viktor Yanukovych and Speaker Oleksander Moroz.

Mr. Hewko and his associates also visited Donetsk, where they met with the deputy governor of the region and held a roundtable with local civil society leaders and NGOs.



*MCC delegation arrives in Donetsk*

The Compact Program would be in addition to MCC's Threshold Country Program, which Ukraine is currently implementing after receiving a \$45 million award to reduce corruption in the public sector.

Ukraine qualified for Compact status in mid-November, and should now develop a specific proposal on where it would like to concentrate its effort. An MCC Compact requirement is that the proposal should be based on a public consensus

on where poverty alleviation and economic development support are most needed, which should emerge from a national public debate.

### **Transparency and Disclosure: Foundation for Good Governance and Investments**

USAID's Capital Markets Project held an international conference on January 24-25 entitled "Transparency and Disclosure: Foundation for Good Governance and Investments". The main objective of the conference was to become familiar with international standards and technologies of disclosure used by securities issuers across the globe and with the innovations being implemented in Ukraine.

The conference also addressed specific reporting tools, including the practical aspects of XBRL application – a universal technology of electronic business reporting. The conference participants included representatives from the Securities and Stock Market State Commission (SSMSC), the National Bank of Ukraine, the Ministry of Economy, the State Tax Administration, EU, IFC, U.S. Embassy and USAID.



*Conference participants establish new contacts*

In his welcoming remarks USAID Deputy Mission Director Peter Argo noted that better accountability and transparency, and the integrity of capital markets all derive from improved corporate governance. "Good governance creates more value for shareholders and stakeholders, reduces the cost of capital, and increases a company's competitiveness," noted Argo. "Good corporate governance and disclosure play a crucial role in business development and economic growth, and especially in attracting necessary capital investments."

The Capital Markets Project is assisting Ukraine in creating a vibrant and effective financial sector

to sustain economic growth and reduce the costs and risks to a sound pension system. In Ukraine, the lack of a well-functioning disclosure system has constrained capital markets development, and poses a long-term problem for private pension fund investments, especially in corporate equities where accurate information can be difficult and expensive to obtain. USAID's Capital Markets Project designed and will install an Electronic Disclosure System (EDS) for Ukraine, which will serve investor needs, operate in a free and transparent fashion, and will be easy to use for the regulator, public companies, and investors.

### **Local Governments Learn How to Attract Non-traditional Resources**

The Association of Ukrainian Cities and Communities (AUC) conducted a training on January 17-18 to educate local government staff on how to find potential donors to supplement city budgets. The effort was part of USAID's Expanding Training and Advocacy Services Project, held in conjunction with AUC's Training the Trainers (TOT) program.

Twenty-five trainers from all AUC Regional Offices who passed the training will conduct similar workshops at their Regional Offices. In addition, AUC member cities will receive a manual and a course CD.



*Trainers learn how to conduct similar workshops back home*

The TOT participants believe that the training will help local governments not only to attract additional resources, but to improve the performance of local authorities; outline what impact fundraising can have on community development and stabilization; and improve management and government performance.

## **Forum Participants Discuss New Approaches for Overcoming the Stigma and Discrimination Associated with HIV-infection and AIDS**

Sixty representatives from six municipalities in eastern Ukraine attended the "Open Space" forum in Donetsk, organized by USAID's "Reducing the Stigma and Discrimination Associated with HIV-infection and AIDS" project.

The goal of the "Open Space" forum was to introduce successful communication technologies that bring together people with different professional backgrounds in critical discussions on topics specific to their region. This technology helps people to find new ways of exchanging ideas to find solutions to the issues before them. It gave representatives of the towns of Mariupil, Donetsk, Avdiivka, Dimitriv, Slavyansk and Dobropillya, among them health care specialists, social workers, teachers, police, NGO leaders and media representatives, an opportunity to voice their opinions, identify problems and offer solutions to problematic or complex issues associated with sexuality, death, drug use, HIV/AIDS related stigma and discrimination.



*Ulyana Tokareva, representative of Mariupol Youth Union, leads the section on HIV/AIDS related stigma and discrimination issues*

Participants were able to present problems identified in their towns and voice various solutions and recommendations on how to better HIV/AIDS policies at the oblast level and in communities. The results of the two-day "Open Space" forum were presented to a committee consisting of leading experts, oblast officials, local municipal representatives, international and local public organizations, and the People Living with HIV/AIDs coalition.

"Open Space gave us an opportunity to listen to a myriad of opinions on the problems that concern

us most in our work with children on HIV/AIDS, and allowed us to exchange views and present the best practices of other towns in the oblast," explained Natalya Zyoma, director of Mariupil Secondary School #10. "Now we understand better the needs of other organizations that work in HIV/AIDS. I think that from now on we will have a lot more cooperation in joint projects!"

### **Upcoming Events**

**February 24 - 25**, Legal Reform and Rule of Law Project, Training on "Moral Damages," Kyiv.

**February 26 - February 28**, Together for Health Project, Training of Trainers (TOT) for Pharmacists, Kyiv.

**February 27**, Ukraine Reform Education Program, National Reform Press Club Meeting on "Are Agrarians Prepared for Seeding This Spring?", Kyiv.

**February 27**, Rapid Response to Avian Influenza in Ukraine, Round table on "AI! Prevent Protect and Inform!", Djankoy.

**February 27**, Expanding Training and Advocacy Services Project, Workshop on Municipal Real Estate Management, Lviv.

**February 28**, Ukraine Rule of Law Project and Academy of Judges, Training for Judges on Judicial Ethics, Donetsk.

**February 28**, The Countering Trafficking in Persons Project, Seminar-Training for Social Services Employees, Zaporizhzhya.

**February 28 - March 1**, CIPA-Ukraine Project, International Conference on "International Financial Reporting Standards: Experience and Perspectives of Implementation in Countries with Economics in Transition," Kyiv.

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# M O L D O V A

## MCC Delegation in Moldova Discusses Compact Assistance

A delegation from the Millennium Challenge Corporation (MCC), led by MCC Vice President for Operations John Hewko, visited Moldova on January 24-27 to discuss the process of applying for Compact assistance. At a press conference held on January 26 Hewko stated that, "While MCA (Millennium Challenge Account) eligibility is a great opportunity, it also presents a great challenge, one which will require significant commitment, leadership and action."



*First Deputy Prime Minister Z. Greceanii, Ambassador M. Kirby and MCC Vice President for Operations J. Hewko at the press conference*

Moldova was selected as a Compact eligible country in November of 2006. In December of 2006, the Government of Moldova and USAID signed a 2-year, \$24.7 million MCA-funded Threshold Country Program (TCP) agreement to combat corruption. Successful implementation of the TCP will be one of the key factors in Moldova's chances for Compact assistance.

## USAID Opens New Support Center for Young People

With assistance from USAID, young people in Northern Moldova now have a new support center to go to in times of crisis and need. The Edinet-based Social Reintegration Center, "Alternativa," established under the Better Opportunities for Women and Youth Project, implemented by UNDP, will provide young people in need with housing and support services to prepare them for a secure and independent life.

At the official opening ceremony five beneficiaries received keys to their new home. In addition to housing and services for 12 beneficiaries annually, Alternativa will offer assistance programs to young people in the region, serving as many as 70 people each year.



*Two young Moldovans do the honors before receiving their new home*

The Better Opportunities for Women and Youth Project is part of President Bush's world-wide \$50 million Anti-Trafficking Initiative. Alternativa was created to assist young people at risk of being trafficked.

## Upcoming Events

**February 26,** Anti-trafficking Initiative, Crisis Intervention Program (CIP) Domestic Violence Training, Soroca.

**February 27,** Citizen Participation Program, IREX-CPP Voter Education Launching Roundtable, Chisinau.

**March 2,** Anti-trafficking Initiative, Round Table on Domestic Violence, Rezina.

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